

BILL NO. 19-30

ORDINANCE NO. 4.481

AN ORDINANCE APPROVING THE PETITION TO ESTABLISH THE LINDEN BLOCK 25 COMMUNITY IMPROVEMENT DISTRICT.

WHEREAS, Sections 67.1401 to 67.1571 RSMo, 2000, as amended (the "**CID Act**"), authorize the governing body of any city, upon presentation of a proper petition requesting the formation and after a public hearing, to adopt an ordinance establishing a community improvement district; and

WHEREAS, the City of Gladstone, Missouri (the "**City**") is a city of the third class and a political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, on July 11, 2019, property owners representing the necessary amount of assessed value and per capita numbers within the proposed Linden Block 25 Community Improvement District filed with the Clerk of the City (the "**City Clerk**") a petition for the establishment of a community improvement district pursuant to the CID Act (the "**Petition**"), entitled the Linden Block 25 Community Improvement District (the "**District**"); and

WHEREAS, the City Clerk verified that the Petition substantially complies with the CID Act, submitted the verified Petition to the City Council and set a public hearing with all proper notice being given in accordance with the CID Act or other applicable law; and

WHEREAS, none of the signatures of the signers of the Petition were withdrawn within seven days after the Petition was filed with the City Clerk; and

WHEREAS, all the real property included in the District is entirely located within the City; and

WHEREAS, on July 29, 2019, the City Council held a public hearing at which all persons interested in the formation of the District were allowed an opportunity to speak and at which time the City Council heard all protests and received all endorsements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

SECTION 1. APPROVAL OF PETITION. That the Linden Block 25 Community Improvement District is hereby approved and shall be established within the City as a political subdivision of the State of Missouri, as provided in the Petition filed with the City Clerk on July 11, 2019 a copy of which is attached hereto as **Exhibit A** and incorporated herein by this reference.

SECTION 2. FINDING OF BLIGHT. Pursuant to Section 67.1401.2(3)(a) RSMo, the City Council finds and determines that the area described in the Petition is a blighted area based on information included in and testimony related to the blight study submitted with the Petition

and presented at the public hearing on July 29, 2019. The City Council further finds and determines that the use of District revenues related to the construction of the improvements and services described in the Petition are reasonably anticipated to remediate the blighting conditions within the District and will serve a public purpose.

SECTION 3. PURPOSE AND POWERS. That the District is hereby established for the purposes set forth in the petition; that the District shall have all the powers and authority authorized by the petition the Act, and by law; and that the District shall continue for twenty (20) years with additional ten (10) year terms subject to approval of the City Council and unless terminated in accordance with Missouri law.

SECTION 4. CITY REPORTING. That upon the effective date of this ordinance, the City Clerk is hereby directed to report the creation of the District to the Missouri Department of Economic Development pursuant to Section 67.1421.6 RSMo, by sending a copy of this ordinance to said agency.

SECTION 5. FURTHER AUTHORIZATION. That the City Manager, City Clerk and such other officials of the City may execute any other additional documents or take such other actions as are necessary, incidental or expedient to carry out the intent of this Ordinance approved and the authority granted herein.

SECTION 6. EFFECTIVE DATE. That this ordinance shall be in full force and effect from and after the date of its passage and approval.

INTRODUCED, PASSED, SIGNED, AND MADE EFFECTIVE BY THE CITY COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, ON THIS 29TH DAY OF JULY, 2019.



Mayor Carol J. Suter

ATTEST:



Ruth E. Bocchino, City Clerk

First Reading: July 29, 2019

Second Reading: July 29, 2019



Request for Council Action

RES ☐ # City Clerk Only

BILL ☒ # 19-30

ORD ☒ # 4.481

Date: 7/24/2019

Department: General Administration

Meeting Date Requested: 07/29/19

Public Hearing: Yes ☒ Date: 7/29/2019

Subject: Approval of an Ordinance approving the Petition to establish the Linden Block 25 Community Improvement District.

Background: As part of the project associated with the construction of a hotel in the 6900 block of North Oak, the City of Gladstone (property owner) has petitioned for the establishment of the Linden Block 25 Community Improvement District, which will help fund the construction of certain improvements within the proposed district. Anticipated improvements to be carried out during the first five (5) years of the district include: construction, installation, reconstruction, and maintenance associated with public art, signage, landscaping, construction of retaining walls and fences, and legal costs associated with the formation of the proposed district.

Budget Discussion: Funds are budgeted in the amount of \$ 0 from the GENERAL fund. Ongoing costs are estimated to be \$ 0 annually. Previous years' funding was \$0

Public/Board/Staff Input: N/A

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk

Bob Baer
Assistant City Manager

PC
City Attorney

SW
City Manager

Exhibit A

Petition to Establish the Linden Block 25 Community Improvement District

City Clerk Verification

Pursuant to Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri (the "CID Act"), I, Ruth Bocchino, City Clerk of the City of Gladstone, Missouri, state the following:

1. A petition to form the Linden Block 25 Community Improvement District was filed with the City Clerk on July 11, 2019.
2. It has been determined on July 12, 2019, which does not exceed ninety days after receipt of the petition, that the petition substantially complies with the requirements of Section 67.1421.2 of the CID Act.
3. On July 11, 2019, I delivered the verified petition to the City Council of the City of Gladstone, Missouri.

Date:

July 12, 2019

Ruth Bocchino

Ruth Bocchino
City Clerk
City of Gladstone, Missouri

**NOTICE OF PUBLIC HEARING
LINDEN BLOCK 25 COMMUNITY IMPROVEMENT DISTRICT**

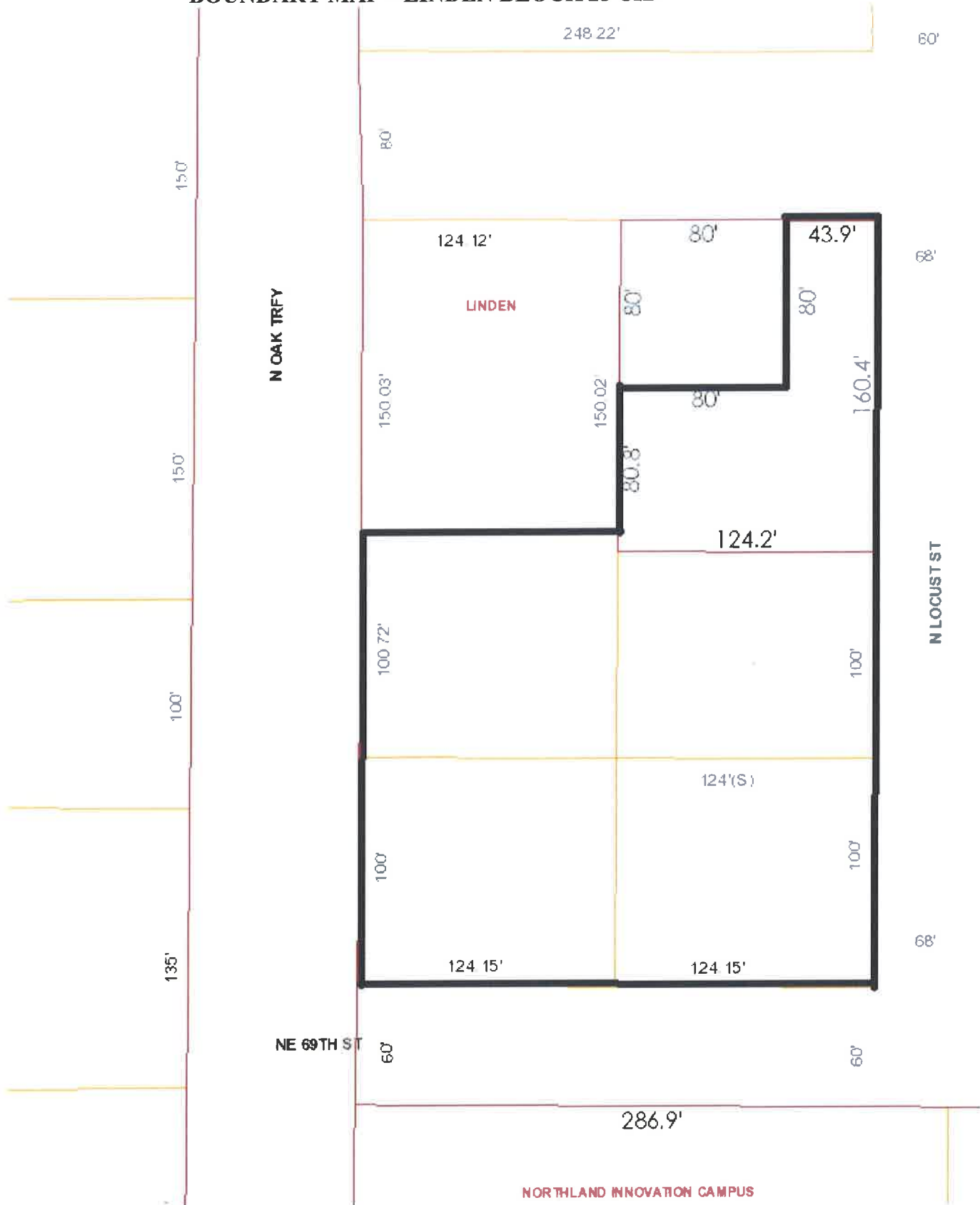
The City Council of the City of Gladstone, Missouri, will hold a public hearing during its meeting beginning at 7:00 p.m., on July 29, 2019, in the City Council Chambers at Gladstone City Hall, 7010 N. Holmes, Gladstone, Missouri 64118. The hearing is being held pursuant to the requirements of Section 67.1431 of the Revised Statutes of Missouri, as amended, regarding the establishment of the Linden Block 25 Community Improvement District herein described.

1. A petition for the establishment of the Linden Block 25 Community Improvement District has been filed with the Gladstone City Clerk.
2. The proposed district includes approximately 2 acres of land in an area located generally at the intersection of NE. 69th Street and N. Oak Trafficway. The boundaries of the proposed district are more specifically shown on the map attached hereto.
3. A copy of the petition is available for review at the office of the Gladstone City Clerk during regular business hours.
4. All interested persons shall be given an opportunity to be heard at the public hearing.



Ruth Bocchino
City Clerk
City of Gladstone, Missouri

BOUNDARY MAP – LINDEN BLOCK 25 CID



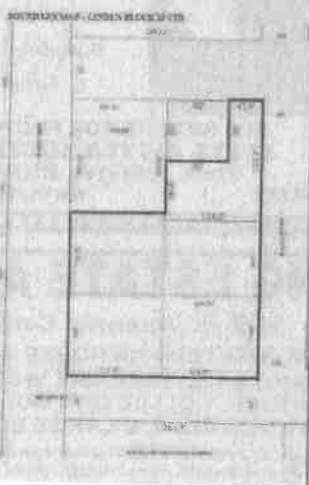
(Published in the Courier-Tribune Thurs., 7/18/19 & Thurs., 7/25/19)

**NOTICE OF PUBLIC HEARING
LINDEN BLOCK 25 COMMUNITY IMPROVEMENT DISTRICT**

The City Council of the City of Gladstone, Missouri, will hold a public hearing during its meeting beginning at 7:00 p.m., on July 29, 2019, in the City Council Chambers at Gladstone City Hall, 7010 N. Holmes, Gladstone, Missouri 64118. The hearing is being held pursuant to the requirements of Section 67.1431 of the Revised Statutes of Missouri, as amended, regarding the establishment of the Linden Block 25 Community Improvement District herein described.

1. A petition for the establishment of the Linden Block 25 Community Improvement District has been filed with the Gladstone City Clerk.
2. The proposed district includes approximately 2 acres of land in an area located generally at the intersection of NE. 69th Street and N. Oak Trafficway. The boundaries of the proposed district are more specifically shown on the map attached hereto.
3. A copy of the petition is available for review at the office of the Gladstone City Clerk during regular business hours.
4. All interested persons shall be given an opportunity to be heard at the public hearing.

/s/ Ruth Bocchino
Ruth Bocchino
City Clerk
City of Gladstone, Missouri



(Published in the Courier-Tribune Thurs., 7/18/19 & Thurs., 7/25/19)

**NOTICE OF PUBLIC HEARING
DOWNTOWN LINDEN COMMUNITY IMPROVEMENT DISTRICT**

The City Council of the City of Gladstone, Missouri, will hold a public hearing during its meeting beginning at 7:00 p.m., on July 29, 2019, in the City Council Chambers at Gladstone City Hall, 7010 N. Holmes, Gladstone, Missouri 64118. The hearing is being held pursuant to the requirements of Section 67.1431 of the Revised Statutes of Missouri, as amended, regarding the establishment of the Downtown Linden Community Improvement District herein described.

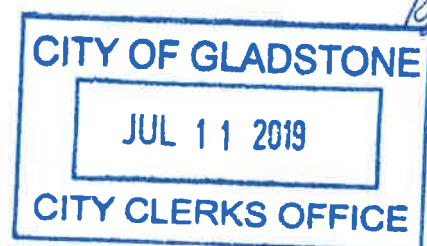
1. A petition for the establishment of the Downtown Linden Community Improvement District has been filed with the Gladstone City Clerk.
2. The proposed district includes approximately 2 acres of land in an area located generally at the intersection of NE. 69th Street and N. Oak Trafficway. The boundaries of the proposed district are more specifically shown on the map attached hereto.
3. A copy of the petition is available for review at the office of the Gladstone City Clerk during regular business hours.
4. All interested persons shall be given an opportunity to be heard at the public hearing.

/s/ Ruth Bocchino
Ruth Bocchino
City Clerk
City of Gladstone, Missouri



**PETITION TO THE CITY COUNCIL
OF THE CITY OF GLADSTONE, MISSOURI FOR THE CREATION OF
THE LINDEN BLOCK 25 COMMUNITY IMPROVEMENT DISTRICT**

Submitted July 11, 2019



**PETITION FOR THE CREATION OF
THE LINDEN BLOCK 25 COMMUNITY IMPROVEMENT DISTRICT**

Pursuant to the authority of the Community Improvement District Act (the "Act"), Sections 67.1401 through 67.1571, RSMo, this verified Petition is filed with the City Clerk of the City of Gladstone, Missouri (the "City") by the undersigned. The undersigned, collectively representing i) the property owners collectively owning more than fifty percent by assessed value of the real property within the boundaries of the proposed district; and ii) more than fifty percent per capita of all owners of real property within the boundaries of the proposed district, do hereby petition and request that the City Council of the City of Gladstone, Missouri create a community improvement district pursuant to Missouri law.

1. **Property Description.** The legal description of the proposed district is set forth in **Exhibit A-1** to this Petition and a map illustrating the contiguous boundaries of the District is set forth as **Exhibit A-2**. A list of the owners of all properties included within the boundaries of the proposed district as of the date of the filing of this Petition is attached hereto as **Exhibit B**.
2. **District Name.** The name of the proposed district shall be: Linden Block 25 Community Improvement District.
3. **Notice to Petitioner.** The signers of this Petition understand that their signatures may not be withdrawn from this Petition later than seven (7) days after this Petition is filed with the City Clerk.
4. **Purpose and Five Year Plan.** The proposed district will fund the construction of certain improvements within the proposed district (the "Improvements"). Anticipated improvements to be carried out during the first five (5) years of the district include: construction, installation, reconstruction, and maintenance associated with public art, signage, landscaping and construction of retaining walls and fences, and legal costs associated with the formation of the proposed district. The particular items included within the Improvements may be increased or amended from time to time and the costs of the Improvements to be financed by the proposed district shall include all associated design, architecture, engineering, financing, private interest carry, legal and administrative costs of same. At the time of the submission of the Petition, the anticipated cost of the Improvements is as follows:

| ANTICIPATED IMPROVEMENT | PRELIMINARY ESTIMATED COST |
|--|----------------------------------|
| Public Art | \$50,000 |
| Signage | \$50,000 |
| Landscaping and construction of retaining walls and fences | \$100,000 |
| Legal Costs for Formation | \$50,000 |
| Total Estimated Cost of Improvements | \$250,000 |

In addition to the Improvements, the District is authorized to provide all of those services authorized by the Act, including the maintenance of public improvements and public and private property within the District, and supporting business activity and economic development in the District, including, but not limited to, the promotion of business activity, development and retention, and recruitment of business. Such services shall only be paid by revenues of the district after the costs of improvements have been fully paid.

5. **Political Subdivision.** Petitioner requests the proposed district be created as a political subdivision of the State of Missouri.

6. **Governing Board.** Petitioner requests the proposed district be governed by a Board of Directors (the "Board") appointed by the Mayor of the City, with the consent of the City Council.

a. **Number.** The proposed district shall be governed by a Board of Directors ("Board") consisting of five (5) members

b. **Qualifications.** Each Member of the Board ("Director") shall meet the following requirements

i. be at least 18 years of age;

ii. be and must declare to either be an owner ("Owner") or an authorized representative of an Owner of real property within the District, an owner of a business ("Operator") or an authorized representative of such owner of a business operating within the District, or a registered voter ("Resident") residing within the District, as provided by the CID Act;

iii. be and have been a resident of the State of Missouri for at least one year immediately preceding the date upon which he or she takes office in accordance with Article VII, Section 8 of the Missouri Constitution; and

iv. except for the initial directors named in this Petition, be nominated according to the slate submitted as described in **Section 6, paragraph e** of the Petition.

c. **Initial Directors.** The initial Board of the proposed district shall be appointed by the Mayor with the consent of the City Council ("Initial Directors"). Two of the Initial Directors shall serve for four-year terms and the remaining three directors shall serve for two-year terms.

d. **Terms.** Each Initial Director shall serve until his/her successor is appointed in accordance with **Section 6, paragraph e** of the Petition. Each Successive Director shall serve a four (4) year term or until his/her successors is appointment in accordance with **Section 6, paragraph e** of the Petition. If, for any reason, a Director is not able to serve his/her term, the remaining directors shall elect an Interim Director to fill the vacancy of the unexpired term.

Notwithstanding anything to the contrary, any Director's failure to meet the qualification requirements of **Section 6, paragraph b** of the Petition, either in the Director's individual capacity or in a Director's representative capacity, shall constitute cause for the Board to take appropriate action to remove said Director.

- e. Successive Directors. Successor Directors shall be appointed by the Mayor with the consent of the City Council by resolution according to the slate submitted by the Executive Director of the District to the City of Gladstone, Missouri's City Clerk (the "City Clerk"). The slate of proposed Successive Directors shall evidence in a form satisfactory to the City that each Successor Director meets the qualifications to serve as Director pursuant to the CID Act and this Petition.

Upon receipt of the slate of Successor Directors, the City Clerk shall promptly deliver the slate to the Mayor, and the Mayor shall either (i) approve the slate and seek consent of same from the City Council at the next regular meeting of the City Council or (ii) return the slate to the Board with a request for alternates for any or all of the Board positions identified in the slate.

Should the City Council refuse to consent to the slate submitted to it by the Mayor, it shall request alternatives for any or all Board positions identified on the slate, the Board shall within ten (10) days of such refusal submit an alternative slate to the mayor with two (2) alternates for each of the Board positions requested by the City Council.

Should the Mayor reject and return the slate to the Board, the Board shall within ten (10) days of such refusal submit an alternative slate to the mayor with two (2) alternates for each of the Board positions requested by the Mayor.

After receipt of the alternative slate, the Mayor shall either (i) choose from the alternate(s), approve the slate, and seek consent of the City Council at the next regular meeting of the City Council, or (ii) reject the alternative slate. In the event the Mayor rejects the alternative slate, Successor Directors that meet the qualifications of the CID Act and this Petition shall be appointed by the Mayor with the consent of the City Council.

7. Assessed Value of Property. The total assessed value of all real property within the proposed district is \$0.
8. Determination of Blight. Petitioner is seeking a determination of blight under Section 67.1401.2(3)(b), RSMo of the CID Act for property located within the District. In order for the District to be able to expend revenues pursuant to Section 67.1461.2(2), RSMo, this Petition seeks the City Council's determination that the use of District Revenues as described herein and pursuant to contracts to finance the demolition, removal, renovation, reconstruction and rehabilitation of existing structures within the District and related improvements and structures is reasonably anticipated to remediate the blighted conditions within the District and will serve a public purpose. A Blight Study conducted of the property is attached as **Exhibit C**.

9. **Duration of District.** The life of the District shall begin from the effective date of the ordinance establishing the District, and shall be in existence for twenty (20) years to fund improvements and services, provided however the District's life may be automatically continued for successive ten-year terms, until all of the project costs are satisfied, without having to submit a new petition subject to the condition precedent that the City Council shall not have adopted a resolution disallowing such continuation prior to the date upon which any successive term would have commenced unless sooner terminated in accordance with Section 67.1481, RSMo of the Act. .
10. **Real Property Taxes.** The proposed district will not have the power to impose a real property tax or a business license tax.
11. **Special Assessments.** The proposed district will not have the power to impose special assessments.
12. **Sales Taxes.** Qualified voters of the proposed district may be asked to approve a sales tax of up to one percent (1%), in accordance with the CID Act, to fund certain improvements within the proposed district and/or to pay the costs of services provided by the proposed district.
13. **Borrowing Capacity.** Petitioner does not seek limitations on the borrowing capacity of the proposed district.
14. **Revenue Generation.** Petitioner does not seek limitations on the revenue generation of the proposed district.
15. **Powers of District.** Petitioner does not seek limitations on the powers of the proposed district.

Exhibit A-1

The legal description of the proposed district

LOTS 4, 5, 6, 7, 8, 9, 10, 11 AND S. 10.72 FEET OF LOT 12, BLOCK 25, LINDEN SUBDIVISION.

COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 1, BLOCK 25, LINDEN SUBDIVISION; THENCE S. $89^{\circ} 37'44''$ E. ALONG THE NORTH LINE OF SAID LOT 1, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING OF SAID TRACT OF LAND; THENCE CONTINUING ALONG SAID NORTH LINE OF S. $89^{\circ} 37'44''$ E, A DISTANCE OF 43.91 FEET TO THE NORTHEAST CORNER OF SAID LOT 1; THENCE ALONG THE EAST LINE OF SAID LOTS 1, 2 AND 3 S. $00^{\circ} 25'15''$ W., A DISTANCE OF 160.38 FEET TO THE SOUTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE SOUTH LINE OF SAID LOT 3 N. $89^{\circ} 50'09''$ W., A DISTANCE OF 124.17 FEET TO THE SOUTHWEST CORNER OF SAID LOT 3; THENCE ON THE WEST LINE OF SAID LOTS 2 AND 3 N. $00^{\circ} 30'41''$ E., A DISTANCE OF 80.83 FEET; THENCE PARALLEL WITH THE WEST LINE OF SAID LOTS 1,2, AND 3 N. $00^{\circ} 30'41''$ E., A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING, BEING TRACT 2 AS SHOWN ON THE CERTIFICATE OF SURVEY RECORDED DECEMBER 7, 2016 AS DOCUMENT NO. 2016043750 IN BOOK H, PAGE 177.

Map illustrating the contiguous boundaries of the proposed district

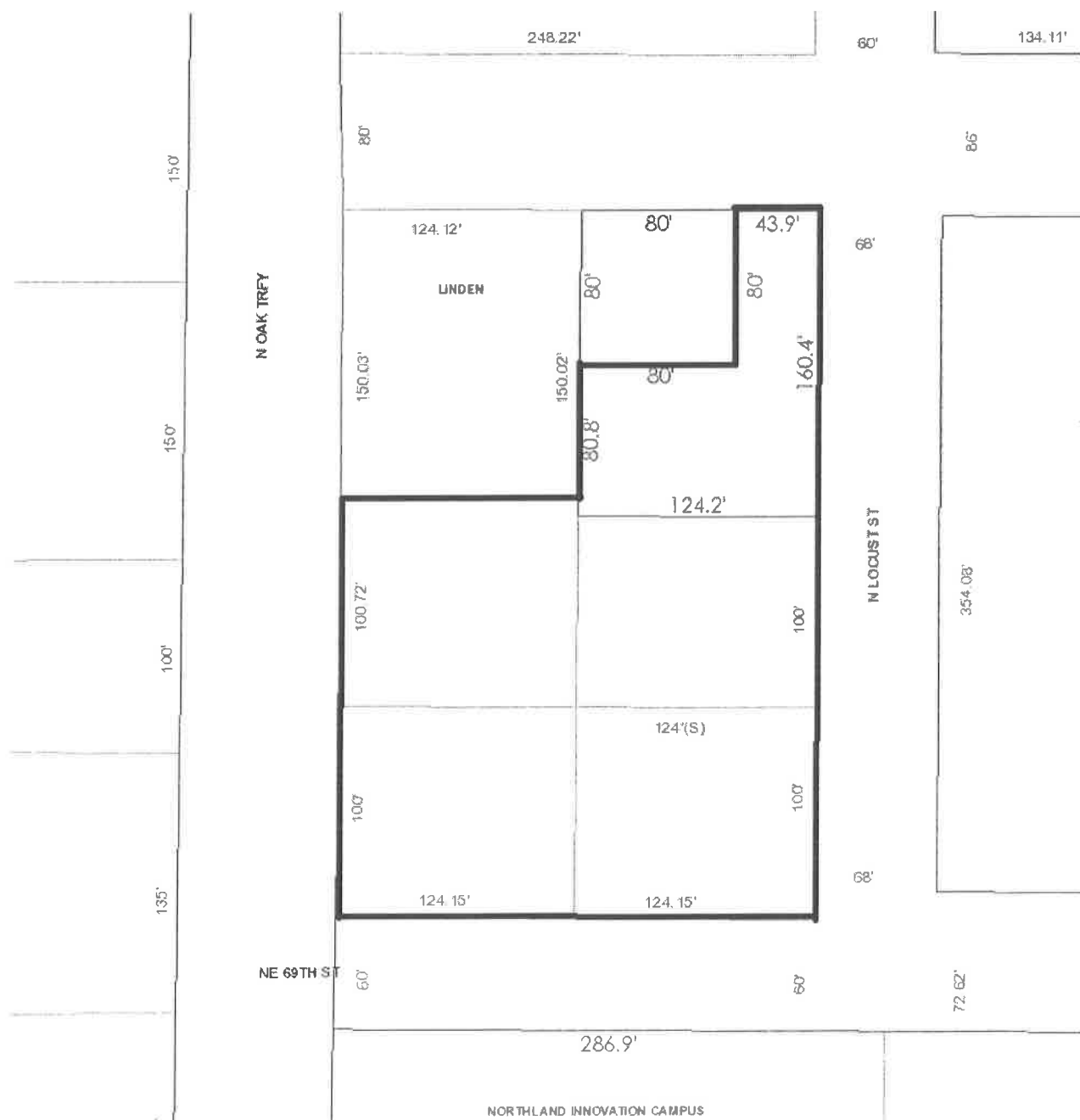


Exhibit B

**A list of the owners of all properties included within the boundaries of the proposed district
as of the date of the filing of this Petition**

| Parcel # | Owner |
|-----------------|-----------------------------|
| 13164002500200 | City of Gladstone, Missouri |
| 13614002500300 | City of Gladstone, Missouri |
| 13614002500400 | City of Gladstone, Missouri |
| 13614002500500 | City of Gladstone, Missouri |

Signature Page for Petition to the City of Gladstone, Missouri for Establishment of the Linden Block 25 Community Improvement District

The undersigned requests that the City Council of the City of Gladstone, Clay County, Missouri, establish the Linden Block 25 Community Improvement District according to the preceding Petition and authorize the creation of the District.

| | |
|-----------------------------------|---------------------------|
| Name of Owner: | City of Gladstone |
| Owner's Telephone Number: | (816) 436-2200 |
| Owner's Mailing Address: | 7010 N. Holmes |
| | Gladstone, Missouri 64118 |
| Name of Signer: | Scott Wingerson |
| Basis of Legal Authority to Sign: | City Manager |
| Signer's Telephone Number: | Same as above |
| Signer's Mailing Address: | Same as above |

The map, parcel number and assessed value of each tract of real property within the proposed District owned: The District will contain all or a limited portion of the following parcels:

| Address | Map/Parcel I.D. | Assessed Value |
|------------------------|-----------------|----------------|
| 6915 N. Oak Trafficway | 13614002500200 | \$0 |
| 6901 N. Oak Trafficway | 13614002500300 | \$0 |
| 6902 N. Locust Street | 13614002500400 | \$0 |
| 6906 N. Locust Street | 13614002500500 | \$0 |
| Total | | \$0 |

[SIGNATURE AND NOTARY PAGES TO FOLLOW]

By executing this Petition, the undersigned represents and warrants that he/she has received a copy of this Petition and its exhibits, has read this Petition and its exhibits, is authorized to execute this Petition on behalf of the property owner named immediately above, and authorizes this signature page to be attached to the original of this Petition to be filed in the Office of the City Clerk. The undersigned also acknowledges that his/her signature may not be withdrawn later than seven days after this Petition is filed with the City Clerk.

City of Gladstone, Missouri
a Third-Class City in Clay County, Missouri

By: 

Name: Scott Wingerson


Title: City Manager

Date: July 11, 2019

STATE OF mo.)
)
COUNTY OF Clay) SS.

BE IT REMEMBERED, that on this 11 day of July, 2019 before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Scott Wingerson, the City Manager of the City of Gladstone Missouri, who executed the foregoing instrument on behalf of said City and he duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the City and State aforesaid, the day and year first above written.


Notary Public

My Commission Expires:

11-11-22

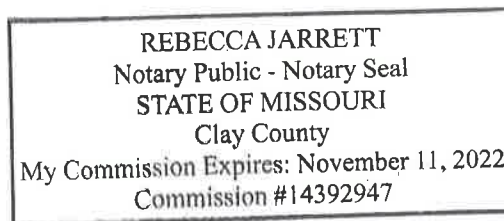


Exhibit C

Blight Study Attached

Downtown Gladstone Hotel

Blight Study

Summary Findings

The following is a study of a site, further described in this study, in the City of Gladstone, Missouri (the "City"). This study seeks to determine whether the subject site is blighted under the definition set forth in Section 67.1401.2(3) Revised Statutes of Missouri, which defines "Blighted Area" in part as:

an area which by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use

As determined by this study, it is the opinion of the City of Gladstone Department of Community Development that the subject property is a "blighted area" as set forth in the above definition. The primary blighting factors are:

- Unsanitary or unsafe conditions
- Deterioration of site improvements
- The existence of conditions which endanger life or property by fire or other causes
- Problematic topography conditions

The presence of the blighting conditions listed above creates an economic and social liability for the City, in that the presence of the blighting factors lower property values, increase public costs, and lower tax revenues. Vacancies and underdevelopment hinder economic opportunities available to the area and the City, and limits the funds available to address routine maintenance and repair which in turn, creates a cycle of blight throughout the area. Statistically, a failure to maintain property substantially increases public maintenance costs. The site (also referred to herein as the "Redevelopment Area") is socially and economically underutilized and fails to generate adequate taxes for the applicable taxing districts.

The blighting conditions of the identified property lower property values, lower taxes, increase maintenance costs, and increase the likelihood of crime, all of which create a menace to public health, safety, and welfare to the community.

Introduction

Identification of the Redevelopment Area

The study area is comprised of three parcels that contain 1.56 acres. The study area is presently zoned commercial with uses as vacant land, a building formerly known as Santé Fe Glass, which was demolished in late 2018 after lying vacant, and a cash loan business that has been demolished as of May 2019. The demolition of these sites were in response to public perception of our developing downtown as well as both sites attracting a homeless and vagrant population that resulted in the Gladstone Police being called to the site(Please see the attached police report). The site is located at the Northeast corner block of NE 69th Street and North Oak Trafficway, Gladstone, Clay County, Missouri.

Identification of the Problem

Purpose

The purpose of this blight study is to investigate and determine if blight conditions exist in the proposed study area according to the Missouri Community Development Improvement District (CID) statutes.

Definition

RSMO 67.1401 – “Blighted Area”: an area which (a) By reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use; or

(b) Has been declared blighted or found to be a blighted area pursuant to Missouri law including, but not limited to, chapter 353, sections 99.800 to 99.865, or sections 99.300 to 99.715.

Effective Date

The effective date of this Blight Study is May 2019. A comparison of the date of this report to the effective date indicates that the conclusions are reflective of current market conditions.

Use or Function

This Blight Study was prepared for the sole and exclusive use of the City of Gladstone to assist in determining if the Study Area is eligible for designation as a blighted area if it is placed in a Community Improvement District.

Sources of Information

Market data was obtained from a variety of sources, including the following:

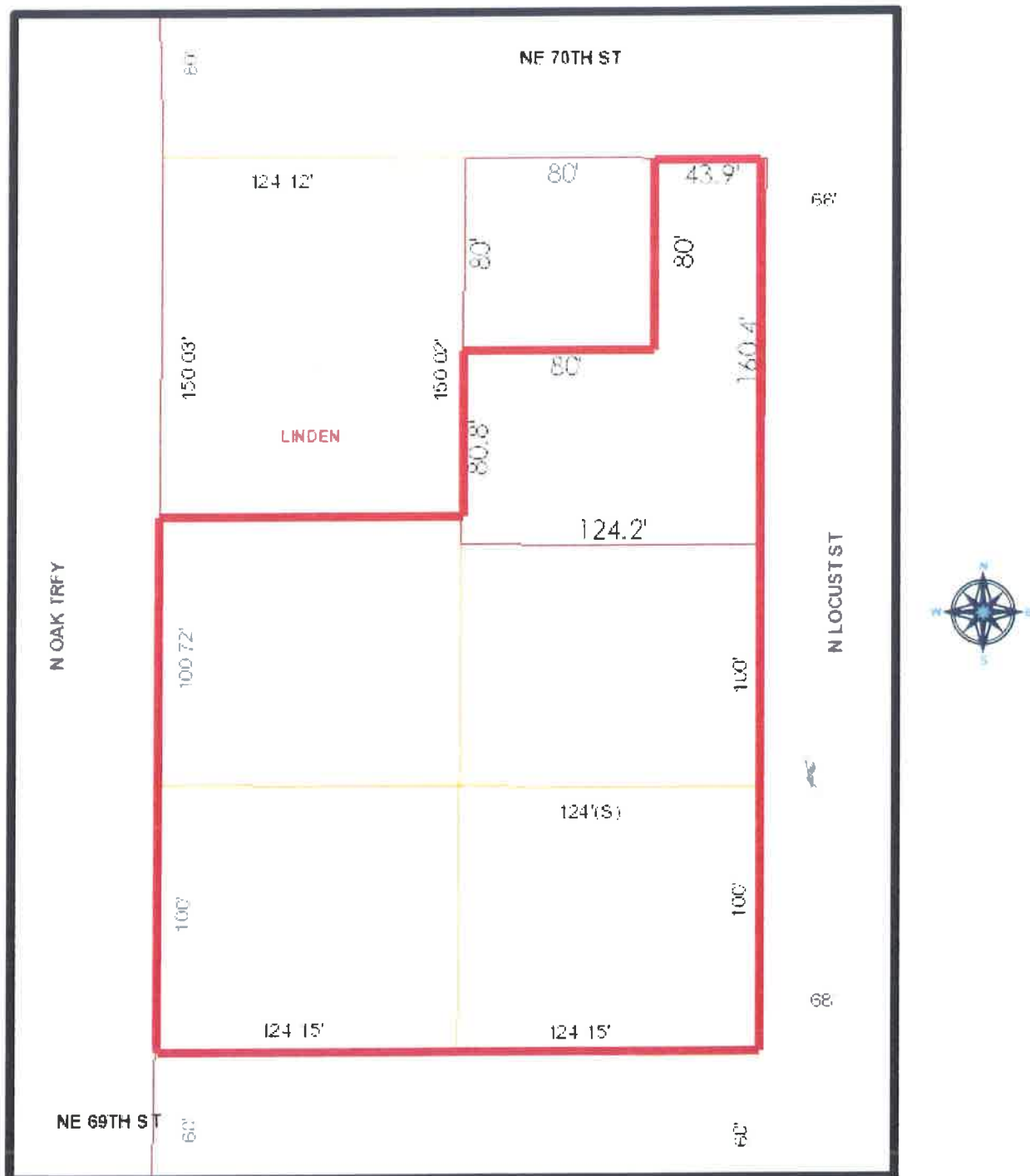
- City of Gladstone Public Safety Records Management System
- Clay County, Recorder of Deeds
- City of Gladstone, Geographic Information Systems

- City of Gladstone, Code Violation System
- City of Gladstone, Zoning Records
- City of Gladstone, Economic Development Division

Area & Neighborhood – NE 69th Street & North Oak Trafficway – Downtown Gladstone

Area

The subject is located in Gladstone, Clay County, Missouri. Following is a brief discussion of the primary area characteristics and trends impacting the subject property.



Land Use

Area land use is zoned commercial and mixed-use

| | |
|--|---|
| Predominant Quality and Condition | Poor to Average |
| Life Cycle Stage | Declining |
| Immediate Surrounding Land Use: North South East West | Commercial Commercial Mixed – Use Commercial |

Property Data

Site Description

Identification

| | |
|--------------------------|--|
| Location | NE 69th St. & N. Oak Trafficway NE 70 th St. & N. Locust St. |
| Parcel ID Numbers | 13614002500200 13614002500300 13614002500400 13614002500500 13614002500800 |

Physical Features

| | |
|----------------------|---|
| Size (Acres) | Five Parcels Combined = 1.56 acres |
| Topography | Poor to Average – Borehole report states limestone found 7 ft. - 15 ft. below surface depending on location on the property |
| Configuration | L Shape |
| Drainage | Not provided |
| Flood Plain | Not provided |

Streets, Access, & Frontage (Southwest Corner)

| | | |
|--------------------------------|---|---|
| Street | N. Oak Trafficway | NE 69 th & NE 70 th St. |
| Frontage | Yes | No |
| Paving | Asphalt/Concrete | Asphalt/Concrete |
| Curb/Gutter | Yes | Yes |
| Sidewalks | Yes | Yes |
| Lanes | 4 - Lanes | 2 - Lanes |
| Direction of Traffic | North/South | East/West |
| Condition | Good | Good |
| Traffic Level | Moderate | Light |
| Signals/Traffic Control | Signal on corner of N. Oak Trafficway and NE 70 th St. | Stop Signs |
| Access | Full | Full |
| Visibility | Good | Good |

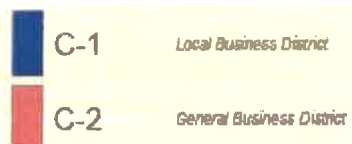
Legal

| | |
|--|--|
| Zoning Designation – Commercial | 13614002500200 C-2 General Business District |
| Prevailing Uses – Commercial | 13614002500300 C-2 General Business District |
| | 13614002500400 C-2 General Business District |
| | 13614002500500 C-1 Local Business District |
| | 13614002500800 C-1 Local Business District |
| Conformance | Existing Improvements are Conforming |

Utilities

Adequate utilities including water, sewer, electricity, fiber (Internet) and gas are available and in place in the Redevelopment Area.

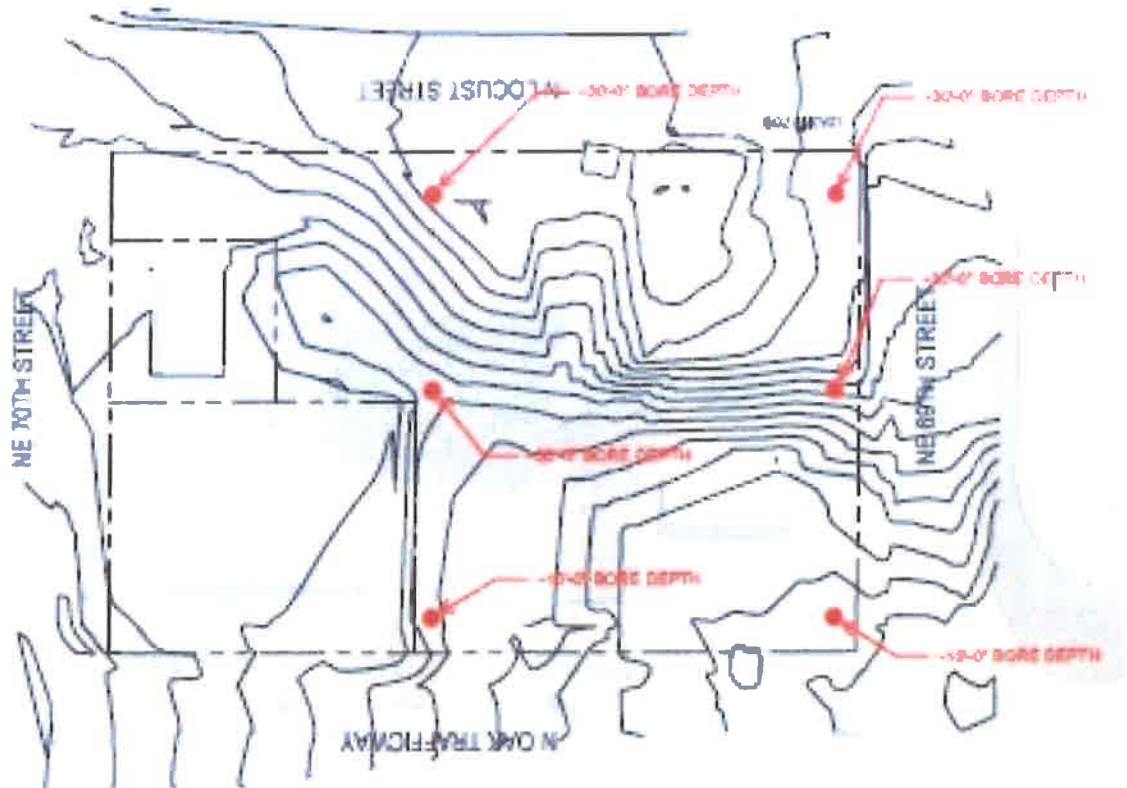
Zoning Map



Aerial/Parcel Map/Existing Site Layout –Google Maps Satellite, Accessed April 30, 2019



Topography & Geotech Survey – Olsson Associates Borehole Report is attached



*Graphic indicates a significant limestone shelf

Improvement Description

Description of the Redevelopment Area is based on physical inspection.

General

| | |
|---------------------------------|---|
| Design/Use | Buildings are/were single tenant use - Lend Nation (Demolition Complete May 2019) - Santa Fe Glass (Demolition Complete in 2018) Vacant land/Parking Lot |
| Year Built | Not Provided |
| Building Sizes (sq. ft.) | Approximately 2,500 – 5,000 sq. ft. per building |
| Configuration | Small dilapidated properties adjacent to major economic corridor |
| Tenant/Building Spaces | Single tenant spaces/buildings |
| Building Heights | Not Provided – Single Story Commercial |

Improvement Analysis – Lend Nation (Current) & Sante Fe Glass (Previous)

| | |
|---------------------------------------|-------------|
| Condition/Deferred Maintenance | Poor |
| Functional Utility | Poor |

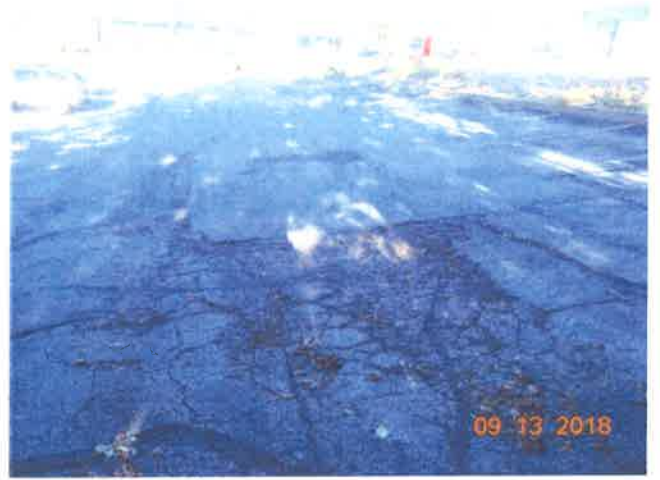
Subject Photos

Lend Nation (Demolished as of May 2019)









Subject Photos

Vacant & Underutilized Land (Problematic Topography Conditions)



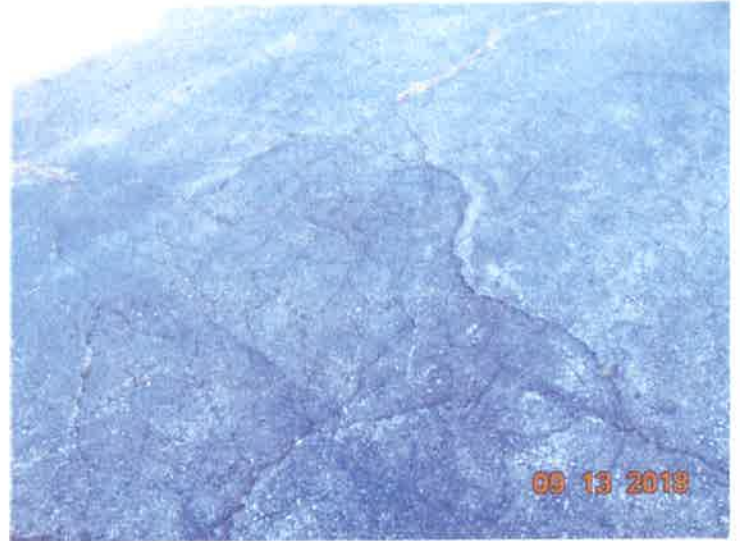
Subject Photos

Sante Fe Glass (Demolished in 2018)









Findings Supporting a Finding of Blight

There are many indications of water issues within and around the building structures. Rotting wood, due to water infiltration, has softened wood which would indicate a high probability that termites are present.

Several instances of electrical wires not being properly contained were found at the site. These included open junction boxes and exposed wiring in areas located where water infiltration was observed. The site lacks a consistent maintenance program and appear to only be addressed when nuisances are noted by the city.

The topography of the land is problematic due to a limestone shelf identified by Olsson Associates when they conducted a geotechnical study (Borehole Report). This report concludes that weathered limestone can be found 7 ft. to 15 ft. below the surface depending on where the borehole was conducted. This discovery makes development more costly and difficult to navigate.

The Study Area is characterized by:

- Deteriorated parking lots (concrete & asphalt)
- Deteriorating structures
- Inadequate street/parking areas
- Water infiltration
- Wood rot
- Exposed electrical wires and junction boxes
- Holes in various spots of the structure
- Faded and peeling paint
- Fencing in disrepair around dumpster enclosure
- Problematic topography conditions due to a limestone shelf
- Broken windows
- Trash/Rubbish
- Unmaintained trees/brush

Blight Defined & Conclusion

As presented earlier, Section 67.1401 RSMo of Missouri's Community Improvement Act Statute defines "blighted area" as follows:

(a) By reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use; or

(b) Has been declared blighted or found to be blighted area pursuant to Missouri law including, but not limited to, chapter 353, sections 99.800 to 99.865, or sections 99.300 to 99.715.

As determined by the following study, it is the opinion of the City of Gladstone Community Development Department that the subject property is a “blighted area” as defined in Section 67.1401 of the Revised Statutes of Missouri. The primary blighting factors are:

1. **Unsanitary or Unsafe Conditions:** The site is predominately a wood structure with substantial damage along with significant water infiltration, which has resulted in peeling paint, indications of mold growth, and rotting structural members.
2. **Deterioration of Site Improvements:** Due to age and location, many of the improvements constructed within the study area have deteriorated and are obsolete and have surpassed their useful life. The study area is characterized by:
 - Deteriorated and inadequate parking lots
 - Crumbling parking lot structures
 - Deteriorating building structures
 - Outmoded parking areas that are not properly marked
3. **The existence of conditions which endanger life or property by fire or other causes:** The presence of dangling and open electrical wires, weakening structural members and crumbling concrete/asphalt increases the likelihood of personal injury and endangers the property. The instance that occurred on March 21, 2019, where a police report was filed for an unlawful trespass and destruction of property that transpired at 6915 North Oak Trafficway, Gladstone, MO (Police report is attached).
4. **The problematic topography in regard to the limestone shelf found 7ft. to 15 ft. under the surface can make multi-story development more costly and difficult to circumvent.**

The presence of the blighting conditions discussed above, in relation to our developing downtown, creates an economic and social liability for the City, in that the presence of the blighting factors lower property values, increase public costs, and lower tax revenues. Deterioration of commercial property stunts potential development and income available, not only to the subject site, but also to the area surrounding the study area. This further limits the ability of the study area to make improvements, address needed maintenance issues, and creates a cycle of blighting influences for the entire area. Failure to maintain this property, next to a primary economic corridor, increases public maintenance costs.

The blighting condition lowers property values, lowers taxes, increases maintenance costs and increases the likelihood of crime, all of which creates a menace to the public health, safety, and welfare of the community.